

emPOWERing farms



Gallery walk handout/feedback book

Please fill out below:

- I am a:
- ☐ Farmer: Type _____
 - ☐ Advocacy group member
 - ☐ Farming service provider (e.g. consultant)
 - ☐ Energy Retailer
 - ☐ Government
 - ☐ TasNetworks employee
 - ☐ General public
 - ☐ Other _____

If we can contact you for more detail on your comments please fill out below

Name

Email

Phone



Instruction manual

The emPOWERing farms project is about understanding our farming customers needs and designing **fit for purpose** solutions.

We have spent the last 6 months speaking to **farmers and other stakeholders** and hearing the issues relevant to them.



Posters contain a summary of our findings



This book contains more detailed information



We are here to answer your questions



...Posters are arranged by topic as shown below



Background and
Introduction



Themes



What's next



Your feedback is important!

This session is all about checking in. You can write feedback in your books or just tell us.



Contents

Pages **2-3**



These pages contain contents and instructions for providing feedback

Pages **4-23**



These pages contain the same detail as the posters on the wall

They also have an opportunity for you to provide feedback to us

Pages **24-29**



These pages contain more detail on some of the topics covered in the posters

Feedback

You are welcome to write anywhere on your book. Blank feedback pages have been included so you have plenty of space!



Have you filled out the cover page?
We will use this information to help
categorise your feedback



Why emPOWERing farms?

We've been working to better understand farming customers so we can improve the services our customers value

Where are we now?

Today we're making sure we haven't missed anything in our interviews and research so far:



The **themes** we found

The **process** we used to find them

What we are **doing next**

...but we need your help!

Keep these questions in mind as you read the following posters

Which themes are important to you?

What issues or opportunities have we missed?

What could solve the problems for you?



Jot any feedback in your book - we'll collect it when you're done!

Strategic linkages



There's more info on these in your book on pages 25 - 26



Our Strategy

This project is a key part of our strategy to care for our customers and make their experience easier



Innovation is in our DNA

TasNetworks has a long history of innovation is now supported by our Innovation Framework 2019-2022

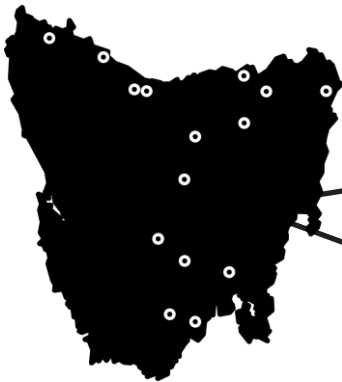


emPOWERing farms: the journey so far

Farmers are **diverse**, and both farming and energy are **complex**. We need to fully understand what is important before trying to build solutions

Step 1: collect insights and generate themes

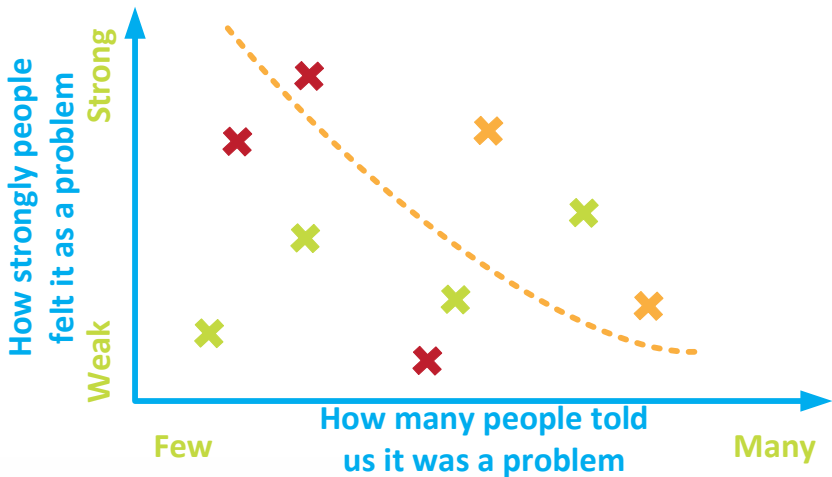
This involved collecting as much data as we could: we visited and interviewed 15 **farmers across the state**, spoke to **representative bodies** and **service providers**, read **reports**, **news articles**, and spoke to our **own people** to get a feeling for what is important



We interviewed farmers across the state, including **dairy, livestock, vegetable, fish, and nut** farmers. Farmers are diverse and so were the people we interviewed!

Step 2: group and prioritise themes

Each issue was assessed against **how many people** spoke about it and how **strongly they felt** about it. These were then grouped into 5 areas which represented all of the different stakeholders



What we found: 5 key themes



Connection process

This theme relates to the process to get connected to the network.



New challenges, new needs

This theme relates to how farming is evolving with technology, climate change, and new ways of interacting with energy



Pricing

This theme relates to how our pricing interacts with farming, the network, and the environment



Knowledge Barriers

This theme relates to how farmers find, process, and use information.



Communication

This theme relates to the day-to-day communication requirements between farmers and TasNetworks.

More detail on these is on the next pages



Feedback page

We asked which problem areas were most important and this is what you said:

1	Knowledge Barriers
2	Communication
3	Pricing
4	New Challenges, New Needs
5	Connection

Why did you rate these in that way?

We heard a range of personal stories to illustrate why a particular problem area resonated most with our customers.

Focus on the future: *“My ranking is based on the scale of uncertainty and innovation. Connection process is a “process” but many other things need innovation and lateral thinking/new technologies”* – Representative body.

Tools to influence and manage pricing should be a target: *“Cost is critical for farmers and understandably how they can influence and manage their usage should be no. 1 priority”* – Energy retailer.

Connection processes can be a raw event for customers who have recently interacted with them: *“Connection issues consistently mentioned as a challenge by our clients”* – Consultant.

Pricing came across very strongly in our feedback: *“Most important as we need to be able to irrigate when needed, not due to cost”* – Beef Farmer.

1. Connection process



A customer's journey with us begins when they decide to connect. Therefore it's important we get it right. Overwhelmingly, customers are telling us that this process is not delivering timely, consistent, or cost efficient network connections



The connection process is slow and complicated for farmers to navigate: *"We're a large farm and we're trying to organise new supplies and it takes months... your whole operation is put on hold when you're waiting for TasNetworks"*

Tasmanian Farmer

Electrical contractors are stuck in the middle of our connection process: *"People are drilling us contractors every day and your delays make us look stupid"*



Electrical Contractor



Building new infrastructure can be a long and complex process: *"Getting irrigation supplies connected is an issue. They come along too late, but won't fit construction schedule"*

TasNetworks, Network designer



We've started a project specifically to improve our connections process: the **Customer Connections Refresh Program**. The emPOWERing farms project is working in close partnership with the connections project.

Feedback page

How important is this issue to you? (Please circle)



I experience this issue? (Please circle)



Do you have any connection experiences to share?

Feedback on our connection process varied across our customers. Several shared that they see the connection process as frustrating, lengthy and complicated whereas others either shared no issue or shared a positive connection experience.

Interactions with the connection process can be raw: *“The connections we had done were extremely slow and unfriendly. Even the replacement of private a pole was”* - Vegetable, poppies and pyrethrum farmer.

At times, the connection process can be frustrating: *“Hard to co-ordinate TasNetworks, Metering Dynamics and electrical contractors at the same time”* - Beef Farmer.

There is a perception that of the ‘good old days’: *“I worked in Service Connections many years ago. Contractors complained back then that it took up to 10 days for a connections (GSL). Now contractors say ‘remember the good old days when it only took 10 days – it can be months now’. Contractors talk about it often”* – TasNetworks employee

In contrast, some farmers shared a positive connection process experience: *“it has been some years since a new connection but it was done in good time and workers onsite were appreciative of us moving fences etc. to make it easier”* - Dairy Farmer.

2. New challenges, new needs

Technology, costs, climate, and customer expectations are all changing. We must adapt to this changing world with our customers. This problem area is very broad and future-focussed – just like our customers

Farmers can now generate their own energy

"...if we save \$8k in power each year and in three to four years we'll get our money back"

Blueberry farmer



Multiple connection points can mean that solar doesn't "stack up"

"I Would love to be able to get 50-150KW solar bank to feed into aggregate metres.. The current feed in tariff delta of >25% makes it far more difficult to justify a solar system being installed"

Vineyard & sheep farmer

Changing rainfall patterns extend irrigation seasons and can challenge the supply of water

"The end summer rain that we used to receive before, is not something we can count on anymore."

Alpaca farmer



Farmers are innovative

"Being farmers we have a practical outlook on life, we figured that we would learn and run the new business as well as anyone else"

Vineyard & sheep farmer

"We need to look to the future of farming. What will a farm in 20 years look like?"

TasNetworks CEO Lance Balcombe



Feedback page

How important is this issue to you? (Please circle)



I experience this issue? (Please circle)



What new challenges are most relevant to you? How might TasNetworks help you meet them?

Our feedback showed that many customers are experiencing the emergence of new technologies, sharing both feelings of excitement and uncertainty about the future of farming.

Renewable energy is important to many *“We now applied solar in our system to try to be able and run cheaper and at day time”* – Vegetable, Poppies, and Pyrethrum farmer.

“... the final ¼ are the ones disadvantaged, the multi-meter large properties where solar / renewable energy costs don’t stack up” – Grazier/Cropping Farmer.

Automation may change usage patterns: *“Robots and automation of a farm/field level will increase on-farm power consumption in the next 5-10 years, analogous to electric vehicles”* – Representative body.

There are big changes on the horizon: *“TasNetworks should be seen by customers as an electricity transport company”* – TasNetworks Employee.

“Very broad suites of challenges but exciting options! New technologies will emerge” – Representative body

3. Pricing

Relating to existing network tariffs, this problem area provides insights into the impacts of pricing on farmers, the environment, and the community



Low cost time of use network tariffs enable irrigation: *"I only irrigate in off peak, I can't justify watering grass in anything but"*

Cattle farmer



Not all irrigation customers respond to the pricing signal: *"When I'm irrigating, I'm going for what the crop needs at the time. If I need to put water on, I'm going to put water on regardless of the [cost of] power"*

ABC country hour 2019



Quality of life: *"I plan everything around the off peak to be honest. It's a lifestyle killer, it's a family killer and staff hate it"*

ABC country hour 2019

Loading issues in the network – even outside traditional peak times: *"as soon as you have an irrigation scheme the feeder load will pick up quickly"*

TasNetworks planning engineer



The story of pricing is on pages 28-29



Feedback page

How important is this issue to you? (Please circle)



I experience this issue? (Please circle)



How does our pricing impact you? What changes would you suggest?

In some instances our feedback on pricing evoked strong emotional responses from our customers, while others expressed the importance of understanding how pricing fits in a broader context.

Time of use pricing windows impacts some farmers: *“Pricing for irrigating is a huge issue for farmers. They risk their mental and physical wellbeing to irrigate off peak 11pm – 7am. Tariffs need to reflect the needs of agriculture famers as needs have changed. The structure of tariffs is out of date and needs reviewing.”* – Representative body.

Farmers can feel constrained by the time of use windows: *“build flexibility into the tariff system”* – Grazier/Cropping farmer.

Pricing is difficult to navigate: *“pricing is so complicated (overall) we leave it up to Energy Broker”* – Dairy Farmer

Some share the importance of understanding the broader context of pricing: *“I think we need to communicate pricing in a national context – people should understand value of what they are getting now. Personally think pricing should ensure sustainable management of our water resources.”* – Representative body.

4. Knowledge barriers

Energy is complex, and so is farming. Farmers have shared their stories about how they find, process, and use information. Information needs to come from a trusted source, such as a neighbour, friend, or credible advisor

Outsiders are not considered trustworthy sources

of information: *"I knew I shouldn't have trusted him. He said we would never need to clean our panels and that it would cut costs by \$100-150 every quarter. It did in the start, I don't think it does now"*

Potato and onion farmer

Within the farming community, the experiences of others can

be a valuable source of

information: *"... best tools are your eyes. When you're driving past farms, I try to work out what upgrades they've done and why they've done it like that"*

Cattle farmer

There are many factors for farmers to consider to keep farms operating smoothly.

Energy is hard to prioritise.

"I have so much on my plate, I don't have time to chase that sort of thing"

Diversified farmer



How can TasNetworks become a trusted source of advice for energy decisions?



Feedback page

How important is this issue to you? (Please circle)



I experience this issue? (Please circle)



How can TasNetworks become a trusted source of advice for energy decisions? What sort of advice would be useful?

We found that barriers to knowledge and information resonated strongly in our customer feedback.

Strongly resonates with some: *“Completely agree with all the comments of this page [Page 16]. Smaller isolated producers likely to avoid bringing in costly consultants, vulnerable to targeted misinformation. Work with industry bodies to reach larger audiences of these smaller groups”* – Representative body.

Personal contact is important: *“Getting out with farmers more. It is about building relationships. People from TasNetworks that I have seen are trusted and approachable – its is just about being seen more. Building relationships with electricians who have lots of farmers as clients. Building relationships with trusted advisors”* – Representative body.

Remaining up to date with information can be challenging: *“When irrigation systems have been in place for decades and often farms change hands, it is not possible to know whether the installation is ‘compliant’ in 2020 as the farmers do not receive that information”* – Dairy Farmer.

5. Communication

We often need to access farmers' land or interrupt their energy supply to carry out work. Biosecurity, private poles, outage planning; many things can be improved with better communication.

Planned and unplanned outages can have a large impact on farmers: *"Our business is agriculture and each time the power goes out and then comes back we have to spend hours restarting pumps."*

Farmer's response to customer survey

Increasing irrigation load makes planning work on the network harder: *"You don't know until it happens – load growth over winter. Come summer, feeder loads are higher than you expect"*

Outage planner

Biosecurity, safety, and other factors: *"I've had a lot of trouble with irrigation pumps and meter readings, I just find them hopeless."*

Farmer's response to customer survey



How *can* we improve day-to-day communication between us and farmers?



Feedback page

How important is this issue to you? (Please circle)



I experience this issue? (Please circle)



How can we improve day-to-day communication between us and farmers? What communication would be useful to you?

Our feedback strongly expressed that the ‘how’ is communication is important and that a one-size-fits-all approach is not enough.

The how in communication is important: *“Have TasNetworks communicated with each farmer to find their best line of communication? Not all farmers are able to be gotten in contact with by the same method - Representative body.*

A strong difference between in person communication and communication via phone is present: *“the fault line has been difficult to navigate on a mobile phone in a poor reception area. When we have to manage different options and if we get the wrong option we get hung up on. Local TasNetworks team on the ground are fantastic and understand the impact of power outages” – Dairy Farmer.*

“Planned outages are often publicised but today many people rely in many different methods. Unplanned outages could be notified to customers how long service will be affected “ – Ex beef farmer.

What's next?

We've identified 5 themes from what we've heard. This helped us build an understanding of our farming customers' world. Now it's time to **work towards solutions**

How will we get there?



Step 1. Build a process

Determine how we are going to identify opportunities and who we need to help us



Step 2. Identify opportunities

Find out all the ways we could approach the problems



Step 3. Select the options

Choose opportunities that look the most promising



Step 4. Build the plan

Develop plans for each opportunity



We need your help to get here

Please share your feedback about what you've heard today and let us know if you would like to stay involved



Feedback page

Is there any information you can give us that would help us build solutions?

We heard that bringing people together with the right information helps to build solutions.

Diverse stakeholder views are important: *“Broad representation from a range of farmer clients from family farms to corporates”* – Representative body.

Customers want more information: *“We want more data about usage. We want to make a setup where that data is available”* – Farmer.

Is there any overall feedback you have for us?

A wide range of customers resonated with the issues we identified.

People appreciated the opportunity to provide input: *“Excellent process to date. Drop in session reflects very similar issues to what I hear regularly from farmers”* – Representative body.

Issues resonated with participants:

“this was a good event” – Farmer.

“Great work team, keep up the conversation” – Consultant.

Overall feedback



What do you think of our process? Have we missed anything?



Do you have any tips or suggestions for our project and what we do next?



Do you want to be involved?



How can you help?



Feedback page

What do you think of our process? Have we missed anything?

There is an opportunity to consult more widely.

“More farmers to gather info from 15 seems a small sample size” – Representative body.

Do you have any tips or suggestions for our project and what we do next?

We heard that there is a desire for a wider range of events with more stakeholders.

More and different events: *“Lunch time events, want to know how things work (multi-learning)”* – Participant.

More stakeholders: *“Will be good to see how retailers can be further involved”* – Representative body.

How can you help?

Lots of people want to be involved.

“Happy to help farmers get involved” – Representative body.

“Ask me, I’m interested” – Farmer.

“Happy to help where we can” – Consultant.

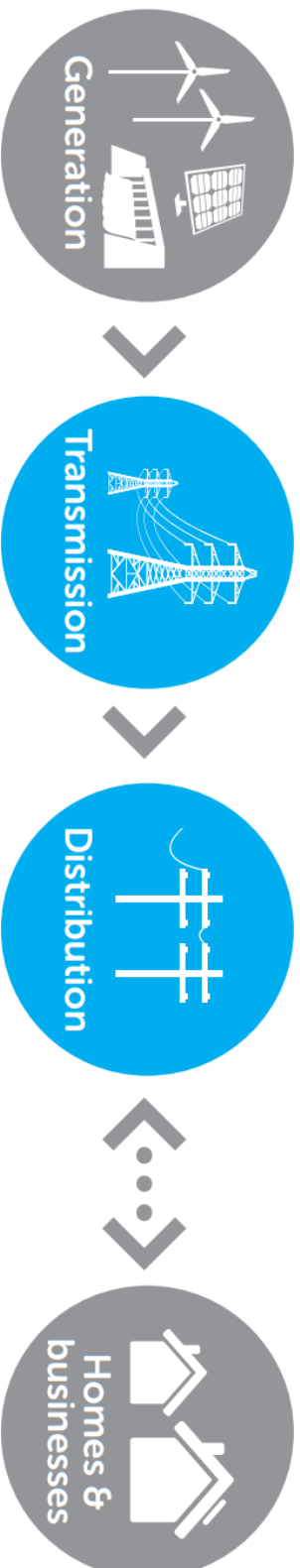
Keen to be involved? Fill out the attached form so we can contact you.

Supplementary information



Who we are

TasNetworks delivers power from generation sources to homes and businesses through our **transmission and distribution networks**.



Generators connect to our network and sell their power on the National Electricity Market (**NEM**)

Increasingly customers are installing their own generation such as rooftop solar

TasNetworks transmits energy from generators to power consumers across our network.

Power consumers (such as irrigators) connect to our network and purchase their power from the NEM via an **energy retailer**. Customers can choose their retailer from the several that are active in Tasmania.

Vision

Trusted by our customers to deliver today and create a better tomorrow.

Purpose

We safely deliver electricity and telecommunications network services and complementary services, creating value for our customers, our owners and our community.

Our Strategy

To provide the best outcome for our customers and owners by delivering safe, reliable and competitive network services, both regulated and unregulated, while also delivering profitable complementary services that are within our capability. We do this by operating a sustainable, lean and efficient business and looking for growth opportunities within our rapidly evolving environment.

How We Work

- The safety of our people and the community is our top priority
- We collaborate to deliver real value to customers
- We innovate and we are a fast follower
- We challenge the status quo
- We harness our strengths to grow our business
- We deliver commercial outcomes

Strategy 2019-20

Strategic goals

What do we need to focus on to achieve our vision?

Our Customers

We care for our customers and make their experience easier.

Our People

We keep safe, build trusting relationships, and enable our people to deliver value.

Our Business

We manage our assets to deliver safe and reliable services, while transforming our business.

Our Owners

We operate our business to deliver sustainable shareholder outcomes.



TasNetworks

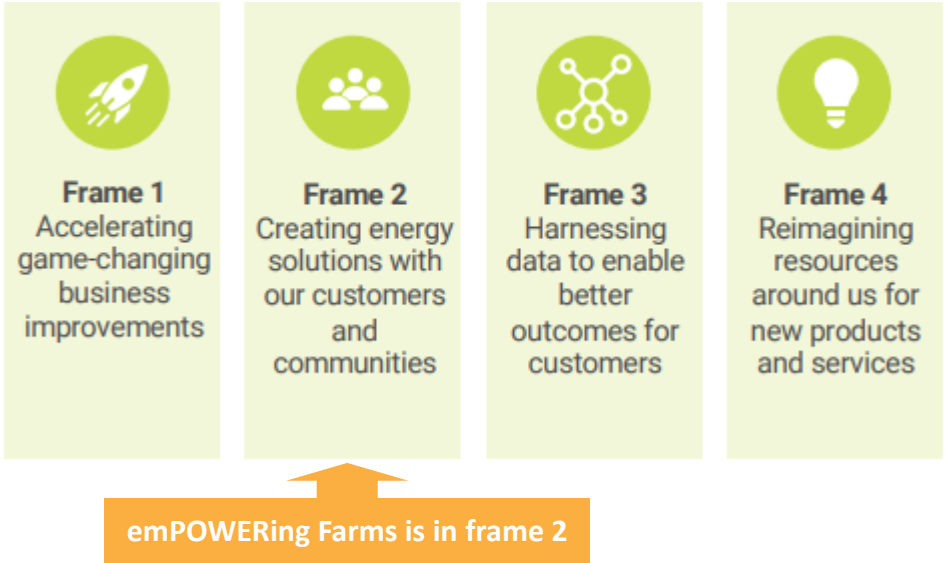
Delivering your power

TasNetworks Innovation framework

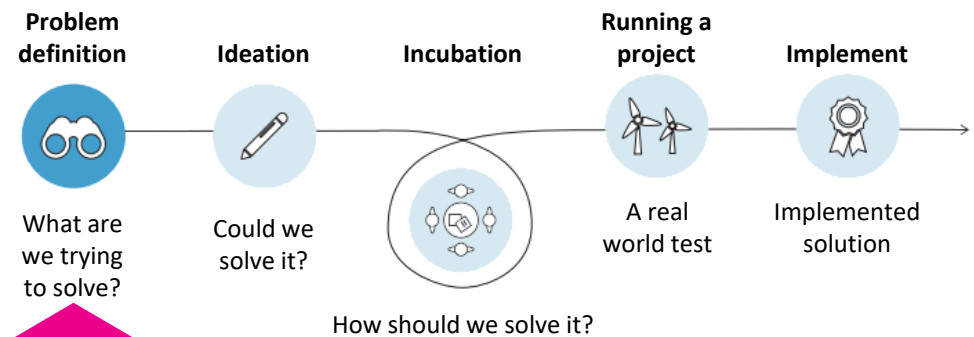
TasNetworks has a long history with innovation. Recently we have implemented our first **innovation framework**. This framework defines innovation as:

Executing ideas to achieve value for TasNetworks and our customers

The framework defines four areas (frames) which define where we innovate. These frames are:



The framework defines a pathway for innovation to progress through to implementation:



This gallery walk is the end of the “problem definition” phase for the emPOWERing farms project



Regulation FAQs

TasNetworks is a regulated business. Everything from the services we're allowed to provide and the service standards we have to meet, to our expenditure on new and replacement assets and the prices we charge for the use of the network is determined by independent regulators.



Why is TasNetworks regulated?

Electricity networks involve costly assets with long service lives. It would be inefficient for another supplier to duplicate those assets, so it makes sense for just one – a natural monopoly – to provide Tasmania's electricity network. However, when a natural monopoly is providing an essential service, in theory it could charge inflated prices and offer sub-standard service because it has no competitors. To ensure this doesn't happen, network businesses in Australia are regulated.



Who regulates TasNetworks revenue?

TasNetworks revenue is regulated by the Australian Energy Regulator (**AER**). Every five years TasNetworks submits a detailed proposal to the AER setting out its plans for maintaining, improving and operating the network, the revenue required to fund those plans and the prices we expect to charge to recover that revenue. The AER then decides how much TasNetworks should be allowed to recover in each year of the coming five year regulatory period – referred to as a 'revenue cap'.



What happens under a revenue cap?

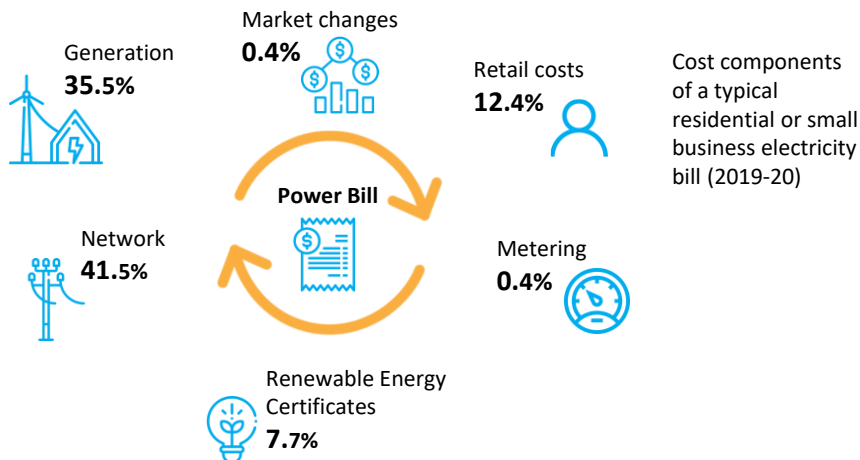
Under a revenue cap the maximum total revenue TasNetworks can recover from the customers connected to its network in any given year is set by the AER. If TasNetworks' revenue in a particular year exceeds the revenue cap for that year, maybe because of something like unexpected growth in customers' consumption of electricity or customer numbers, TasNetworks is not permitted to retain that extra revenue, with any over-recoveries returned to customers in subsequent years, in the form of a reduction in network tariffs.



Network Pricing

What is a network tariff?

Network tariffs are the fees and charges we use to recover the cost of building, running and maintaining Tasmania's electricity network. Every household, business and organisation connected to the network makes a contribution towards the cost of the shared network. However, rather than bill customers directly, we charge their retailer, who then passes the cost of the network on to customers through the retail tariffs that appear on their power bills.



What makes up a network tariff?

The network tariffs that currently apply to most residential customers and small businesses are made up of two parts: a daily service charge and a charge for the delivery of each unit of power the customer uses. Some tariffs also include demand charges and/or specified demand charges (where a customer pays for network capacity). Some tariffs vary their charges based on time of use. The use of multiple charging elements within each tariff is intended to signal to customers the value of being connected to the network as well as the cost associated with their usage of the network.

How do we set network tariffs?

TasNetworks is required to follow a set methodology and comply with National Electricity Rules when setting its tariffs each year. Amongst other things, those rules require TasNetworks to apply network tariffs that are cost reflective, so that classes of customer, as well as individual customers, make a contribution towards the cost of the shared network that reflects the demands they place on the network.

